GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:2949
ANSWERED ON:22.03.2005
LINKS WITH UNDERWORLD
Chowdhury Shri Adhir Ranjan;Nikhil Kumar Shri ;Rao Shri Kavuru Samba Siva;Yaskhi Shri Madhu Goud

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the Union Government proposes to check the participation of businessmen/ industrialists associated with underworld dons in Government tenders;

(b) if so, the details thereof;

(c) the details of businessmen/industrialists reportedly associated with underworld dons in the country;

(d) whether persons of film industry are reported to have been receiving money through Hawala;

(e) if so, the facts and details thereof;

(f) whether the Government has put any check on such deals of film industry; and

(g) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MANIKRAO HODLYA GAVIT)

(a) & (b): Directorate General of Supplies and Disposals (DGS&D) finalises rate contracts for purchase of items of common use and in regular demand, as are required by various Government Ministries/Departments. Rate contracts are normally concluded with firms that are reliable and whose credentials are well established. In order to establish the credentials and reliability of the firms DGS&D also has a system of registration. Firms are registered as approved suppliers for different items after fulfillment of prescribed procedure and norms. In case any of the registered supplier is found to indulge in any unethical or malpractice, the system provides for their deregistration and other administrative action like suspension/banning of business dealings with them. The system as above mitigates towards ensuring that undesirable businessmen are kept out of participating in Government tenders.

(c): In a recent case investigated by Mumbai Police, one of the accused had stated that two Gutka manufacturers namely, Shri Rasiklal Dhariwal of Manikchand Group of Companies and Shri J.M. Joshi of Goa Gutka had a meeting with gangster Anis Ibrahim Kaskar (brother of Dawood Ibrahim) in connection with settlement of their financial dispute. Central Bureau of Investigation has taken over the investigation of the said case at the request of Government of Maharashtra on 09.02.2005.

(d) to (g): Two instances of receipt of money through hawala by persons of film industry has come to the notice of Directorate of Enforcement. In one case S/Shri Ali Moorani and Mohd. Moorani (both brothers) associated with film industry made payment of Rs.45 lakhs to Shri Bharat Shah, film producer and financier, on behalf of Chhota Shakeel and Rs.23 lakhs to one person by name of Shri Bacchu in Mumbai representing Chhota Shakeel. A show cause notice was issued to Shri Moorani Brothers and Bharat Shah under the provisions of Foreign Exchange Management Act (FEMA), 1999.

In another case Shri Mansoor A. Siddiqui, a film producer of Mumbai was suspected of having made a hawala payment of Rs.26 lakhs to film star Shri Sanjay Dutt for acting in one of his films. The film could not be produced and for getting back his money Shri Siddiqui got Sanjay Dutt pressurized from underworld operative Chhota Shakeel and Shri Sanjay Dutt had paid back the money. A show cause notice was issued to S/Shri Sanjay Dutt and M.A. Siddiqui. The case has been adjudicated and the charges were not established. Besides, appropriate action is taken under the FEMA Act as and when any such deal is detected.